

EXHIBIT B

EXHIBIT B-1

NO. _____

THE STATE OF TEXAS

§

IN THE DISTRICT COURT

§

V.

§

OF HARRIS COUNTY, TEXAS

§

ONE 1989 N323AA BRITISH

§

_____ JUDICIAL DISTRICT

AEROSPACE BAE 125 SERIES 800A, SN

258155, HAWKER AND ALL LOGS,

CERTIFICATES, RECORDS AND BOOKS AS

LISTED IN PLAINTIFF'S NOTICE OF

SEIZURE

PLAINTIFF'S NOTICE OF SEIZURE AND INTENDED FORFEITURE

TO THE HONORABLE JUDGE OF SAID COURT:

COMES NOW, the State of Texas as Plaintiff by and through her District Attorney for Harris County, Texas, and files this Notice of Seizure and Intended Forfeiture against the **ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE** and incorporates for all intents and purposes the Notice of Seizure attached to Plaintiff's Notice of Seizure and Intended Forfeiture and alleges the following:

I.

This proceeding is brought under and by virtue of Chapter 59 of the Texas Code of Criminal Procedure. Plaintiff alleges that discovery is intended to be conducted under Discovery Plan Level 2, in accordance with Rule 190, of the Texas Rules of Civil Procedure, and affirmatively pleads that this suit is not governed under the expedited-action process. Plaintiff does not seek monetary relief, rather the Plaintiff seeks a judgment that the subject property is contraband and that it be forfeited to the state.

II.

Jurisdiction is conferred upon this Court by virtue of Article V, Section 8 of the Texas Constitution and Article 59.04 of the Code of Criminal Procedure, and the occurrences recited hereinafter.

III.

Plaintiff complains of:

E.D. SANTOS AND ASSOCIATES, LLC, hereafter referred to as RESPONDENT, as owner trustee of the ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE;

CHRONOS AIRWAYS SA DE CV, hereafter referred to as CO-RESPONDENT, as alleged trustor of the ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE;

GUILLERMO "MEMO" CALDERON LEON, hereafter referred to as CO-RESPONDENT, as the owner and possessor of the ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE.

MARTHA PATRICIA LEON-ENRIQUEZ, hereafter referred to as CO-RESPONDENT, as a manager as listed on insurance documents of the ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE;

IV.

Plaintiff alleges that there was probable cause to seize said property and that said property is contraband as defined by Article 59.01 of the Code of Criminal Procedure and is thereby subject to forfeiture. Specifically, Plaintiff alleges that said property is either the proceeds gained from the commission of an offense, acquired with proceeds from the commission of an offense, used or intended to be used in the commission of an offense, and/or used or intended to be used to facilitate the commission of any offense enumerated under Chapter 59.01(2) of the Texas Code of Criminal Procedure, including but not limited to:

Chapter 34 of the Texas Penal Code (Money Laundering); and/or

Chapter 71.02 of the Texas Penal Code (Engaging in Organized Criminal Activity); and/or

Chapter 32.46 of the Texas Penal Code (Securing the Execution of a Document by Deception); and/or

Section 151.7032 of the Texas Tax Code (Failure to Pay Taxes)

based upon the facts set forth in the attached and previously incorporated Notice of Seizure. Said property was seized on the 26th day of October, 2020, in Harris County, Texas.

V.

Plaintiff alleges the last known address of RESPONDENT **E.D. SANTOS AND ASSOCIATES, LLC**, a limited liability company doing business in Texas. E.D. SANTOS AND ASSOCIATES, LLC may be served by and through its president, vice president, secretary, treasurer or registered agent, Delaware Registry, LTD at 3511 Silverside Road, Suite 105, Wilmington, Delaware 19810 AND/OR AT ANY LOCATION WHERE RESPONDENT MAY BE FOUND.

Plaintiff alleges the last known address of CO-RESPONDENT **CHRONOS AIRWAYS SA DE CV**, a supposed foreign corporation doing business in Texas is Hacienda De la Punta, 15 Impulsora Avicola, Nezahualcoyotl, Estado de Mexico. CHRONOS AIRWAYS SA DE CV may be served by and through its president, vice president or registered agent through the Texas Secretary of State AND/OR AT ANY LOCATION WHERE THE CO-RESPONDENT MAY BE FOUND.

Plaintiff alleges the last known address of CO-RESPONDENT **GUILLERMO “MEMO” CALDERON LEON** is Hacienda De la Punta, 15 Impulsora Avicola, Nezahualcoyotl, Estado de Mexico AND/OR AT ANY LOCATION WHERE THE CO-RESPONDENT MAY BE FOUND.

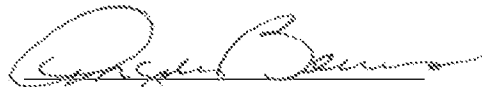
Plaintiff alleges the last known address of CO-RESPONDENT **MARTHA PATRICIA LEON-ENRIQUEZ** is Hacienda De la Punta, 15 Impulsora Avicola, Nezahualcoyotl, Estado de Mexico AND/OR AT ANY LOCATION WHERE THE CO-RESPONDENT MAY BE FOUND.

VI.

Plaintiff alleges that the above property bears no known liens or other encumbrances by any other person or entity.

WHEREFORE, PREMISES CONSIDERED, the State of Texas prays that upon hearing, this Court enter a finding that the ONE 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A, SN 258155, HAWKER AND ALL LOGS, CERTIFICATES, RECORDS AND BOOKS AS LISTED IN PLAINTIFF'S NOTICE OF SEIZURE is contraband and upon such finding to order the forfeiture of said property to the State of Texas with the Harris County District Attorney's Office, acting as agent for the State, and then to be administered and disposed of by said office in compliance with Article 59.06 of the Code of Criminal Procedure.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Angela Beavers', is written over a horizontal line.

ANGELA BEAVERS

Assistant District Attorney

Harris County, Texas

500 Jefferson, Suite 600

Houston, Texas 77002

Phone: (713) 274-5570

Facsimile: (713) 437-4967

Office Bar No. 99999997

Attorney Bar No. 00795243

Beavers_angela@dao.hctx.net

Attorney for Plaintiff

NOTICE OF SEIZURE

INCIDENT NO. SETEIG 09.2020.01

TO THE DISTRICT ATTORNEY OF HARRIS COUNTY, TEXAS:

The undersigned peace officer, CDR B. Price, who is duly employed by the following law enforcement agency, CDR South East Texas Export Investigation Group, Chief Deputy Polk County Constable Pct 1 Department, hereby notifies the Harris County District Attorney's Office that the below-listed property was seized on or about the 26th day of October, 2020 by the SETEIG and Polk County Constable Pct 1 Department:

1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker; and All maintenance/Inspection Logs, Flight Operation Logs, FAA Issued Certificate of Registration, and other records required to be maintained for General Aviation Aircraft

The undersigned peace officer believes that the seized property constitutes the proceeds of a felony offense and is contraband, as defined by Chapter 59 of the Texas Code of Criminal Procedure, based upon the following information, obtained in conjunction with his own investigation:

CDR B Price, (hereafter referred to as "Affiant"); being duly sworn, states as follows:

1. Affiant is Chief Deputy at Polk County Constable Precinct 1 and Commander of South East Texas Export Investigation Group (SETEIG). SETEIG is a State Task Force group consisting of multiple counties and federal partners such as Polk County Texas, Harris County Texas, Galveston County Texas, Department of Commerce Bureau of Industry Security Office of Export Enforcement, Immigration and Customs Enforcement and Homeland Security Investigations (HSI).

2. Affiant is a Master Peace Officer with over 24 years of experience. Affiant has assisted and directed hundreds of felony investigations, search warrants, seizures, and operations. Affiant has and is currently investigating multiple Money Laundering and Counter-Proliferation Investigations, which involve investigating cases of sensitive technology being smuggled from the United States or turned over to foreign nationals without proper authorization from the appropriate government agencies. Affiant also investigates Financial Crimes, Aviation Smuggling, and other state and federal felonies occurring within the state of Texas.

3. Affiant has participated in and conducted investigations of violations of various State and Federal criminal laws, including aviation smuggling cases and false statements to register an aircraft. Affiant has become familiar with the regulations for the lawful use of aircraft including Texas and Federal laws and regulations pertaining to their operation, registration, and record keeping. Affiant works directly with state and federal agents who have spent hundreds of hours engaged in observation, surveillance, inspection, and investigation of possible illicit activity involving aircraft. Affiant has consulted with special agents and other personnel assigned to the Federal Aviation Administration (FAA) about the rules and regulations to lawfully operate and maintain an aircraft, as well as common

schemes used to circumvent these laws. Affiant has also consulted state and federal agents who have interviewed various airport personnel, including airport managers, mechanics, ground crew, radar operators, air traffic controllers, pilots, and airport-based United States Customs and Border Protection (CBP) agents.

4. In March 2019, Affiant began a joint investigation with Department of Commerce Office of Export Enforcement Bureau of Industry Security (BIS) and Homeland Security Investigations (HSI) into United States registered aircraft being unlawfully exported. Based on training and experience, Affiant knows that it is beneficial for foreign owners to register aircraft with FAA tail numbers so that they can operate freely within the United States without a flight plan filed with FAA and that US registered aircraft have far less security standards while operating abroad. Based on training and experience, Affiant also knows that US registered aircraft are used to allow foreign owners to avoid paying taxes in their home countries, as they show purchases taking place in the United States instead. Based on training and experience, Affiant further knows that US registered aircraft have a value of approximately 50% higher than non-registered aircraft and that foreign owners utilize US trusts to hide the real ownership of the aircraft. Through interviews with FAA special agents and BIS special agents who have been working this case with Affiant, Affiant found that there are over 2,000 aircraft currently registered with US tail numbers that are likely unlawfully exported. Affiant learned from a 2013 audit by the Office of Inspector General for the Department of Transportation (DOT) that an estimated 5,600 US registered aircraft lacked key information about true ownership. Based on training and experience, Affiant knows that unknown ownership, unknown actual locations, and unknown use of US registered aircraft is of an immediate Security Interest.

5. On Friday, September 4, 2020, at approximately 2:00 p.m., Affiant met with Department of Commerce Bureau of Industry Security Special Agents P. Mack and United States Department of Commerce Bureau of Industry Security (BIS) Special Agent G. Flowers (BIS SA), at Customs and Border Protection (CBP) Hobby Airport location, 8800 Paul B Koonce St, Houston, TX 77061. Affiant, along with Special Agents Mack and Flowers had information that N323AA, a 1989 BAE 125 Hawker 800A aircraft SN 258155, was arriving at Hobby at that time. This information was located by flightaware open source flight plans. Affiant learned from SA Mack that this aircraft was inbound from Toluca, Mexico. Affiant knows from training and experience that the Hawker aircraft is one of the most sought after aircraft within narcotics transport groups due to the flight capability and load capacity. Affiant learned from SA Flowers and SA Mack that the aircraft, a BAE Hawker 800 aircraft, bearing tail number N323AA, controlled under ECCN 9A991 and valued at approximately \$2,000,000, was going to be initially detained based on suspected violations of the Export Administration Regulations and further seized under Chapter 59 of the Texas Code of Criminal Procedures for violations of Texas state statutes including Money Laundering Under Chapter 34 of the Texas Penal Code, Delivery of a Controlled Substance under Chapter 481 of the Texas Health and Safety Code, Engaging in Organized Activity under Chapter 71 of the Texas Penal Code and Tax Evasion under Section 151.7032 of the Texas Tax Code and Securing the Execution of a Document by Deception under Chapter 32.46 of the Texas Penal Code.

6. Affiant reviewed registration documents and found that E D Santos & Associates LLC Trustee is listed as the trustee owner of N323AA on FAA documents. Affiant learned

from interviews of the Captain, Roldan Cervantes, and Co-pilot, Mariana Gangemi, of the aircraft that the actual owner of the aircraft was Guillermo "Memo" Calderon, a Mexican National. In the interviews conducted with Cervantes and Gangemi, they provided this same information while being interviewed separate of each other and without being allowed to exchange information. Based on the consistency of the information from multiple sources, Affiant believed this information to be credible and reliable. Affiant reviewed open source information online to find multiple articles relaying that Calderon was recently in hiding and fired from his full time position as director of port for Mexican Customs due to involvement in unlawful import/export of drug pre-cursors and other crimes. Affiant reviewed an article from February 5, 2020 in the Mazatlan Post stating The Financial Intelligence Unit (FIU) of the Federal Ministry of Finance will proceed legally and criminally against the director of Customs of Progress, Guillermo César Calderón León, for corruption and for allowing the entrance to Mexico, from Yucatán, of drugs and illegal substances such as ephedrine and fentanyl. Affiant reviewed FAA official documents, which stated that this aircraft was purchased by E.D. Santos from PROJETS Houston. Affiant is familiar with PROJETS in that Affiant is currently involved in the seizure of other aircraft associated to PROJETS. Affiant found through open source internet articles, which were then confirmed through BIS SA Mack and HSI SA Jack Stevens, who were both recently involved in the Guatemalan seizure of E D Santos owned aircraft, including N375TC that was found to have 1620 kilos of cocaine onboard on 4/20/20. Affiant found in this investigation, E D Santos and Associates LLC arranged and oversaw the purchase of the U.S. registered aircraft which was then later used to transport controlled substances within Latin America.

7. Affiant found in registration documents that one aircraft E D Santos & Associates registered was identified as 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker. Affiant reviewed Department of Transportation "CERTIFICATE OF TRUE COPY" records on N323AA to confirm the E D Santos and Associates LLC noted ownership. Affiant learned from SA Flowers that E.D. Santos stated to SA Flowers that the true owner of N323AA is Guillermo "Memo" Calderon and Chronos Airways SA DE CV. Affiant subsequently learned from Emilio D Santos that Chronos Airways SA DE CV is a completely foreign owned company of Mexico in violation of state and federal statutes.

8. Affiant found multiple open source articles related to aircraft under E D Santos & Associates LLC trusts and PROJETS are linked to ongoing investigations for drug smuggling operations.

10. Affiant determined based on the information obtained from SA Flowers and E.D. Santos' that neither Guillermo "Memo" Calderon nor the Chronos Airways SA DE CV Trust meet the requirements for registration of an aircraft in the United States, in that Calderon is a Mexican National and Chronos Airways SA DE CV is an entirely Mexican owned company.

11. Affiant knows from training and experience that a person may operate an aircraft in the United States only when the aircraft is registered. To register and obtain a certificate of registration for an aircraft, the owner of an aircraft must apply for and meet certain

requirements and if the owner meets those requirements, the FAA shall register the aircraft and issue the owner a certificate of registration.

12. Your affiant reviewed copies of the sale of the N323AA jet which recorded the "Purchaser" as E D Santos & Associates LLC from "Seller" PROJETS (Houston) dated 12/26/2018. The Trust Agreement dated 12/20/2018 shows the Trustee to be E D Santos & Associates and the Trustor to be Chronos Airways SA de CV, a Mexican company existing under the laws of Mexico. E D Santos & Associates LLC legally declares to be the "owner" of the aircraft in these documents. Affiant knows from his training and experience that if the aircraft is to be sold to a foreign purchaser as indicated by the documents), this aircraft can NOT be exported out of the United States by E D Santos & Associates LLC without properly filing export documentation supporting that export. Affiant confirmed through SA Flowers that no documentation for export was filed. This document clearly states that the trust is owned by Chronos Airways LLC SA de CV (as described by Emilio D Santos as a Mexican company). Per regulations, a completely foreign owned company cannot own a US registered aircraft.

13. Affiant reviewed documents showing the "Purchaser" of the jet to be E D Santos & Associates LLC, however, Affiant was unable to locate any documents supporting any taxes being paid on this aircraft to either the State of Texas, or the Country of Mexico. CDR Price has consulted with Texas Comptroller's Office Investigator Jerry Patterson, whom CDR Price knows to be credible and reliable, that if an item is "used" in Texas, it is not eligible for Tax Exemption. CDR Price found that a review of Air and Marine Operations Center (AMOC) documents indicated that this aircraft was "used" in Texas 12 days in the year prior to detention, therefore, Texas Sales Tax are due on each sale here.

14. Affiant reviewed FAA documents and found that Projets is a company owned and controlled by Michael Marcos, and is in Houston, Harris County, Texas. Affiant knows from training and experience that the State of Texas Comptroller's Office imposes a 6.25% sales tax. Affiant knows from training and experience the State of Texas Comptroller's Office has the ability to assess a 10% Late Penalty Due and 50% Fraud Penalty per transaction if the sales tax is not properly remitted. Affiant reviewed FAA official documents to find that this jet was purchased by E D Santos & Associates LLC from PROJETS in Houston, Harris County, Texas. Affiant was not provided with and could not find any documents supporting any sales tax being paid by any parties on the estimated sales price of \$2,000,000. Affiant calculates sales tax due to the State of Texas to be \$125,000.00 for this Harris County transaction. Affiant calculates Late Penalty due to State of Texas to be \$12,500.00 and Fraud Penalty due to be \$62,500.00 and that the potential Tax Evasion totals due to the State of Texas could be \$187,512.50 in violation of Section 151.7032 of the Texas Tax Code (Failure to Pay Taxes.)

15. Affiant located further FAA documents that show the aircraft was sold in Mexico to Chronos Airways LLC SA de CV, utilizing trust coverage provided by Emilio D Santos on 12/20/2018. This sale is estimated to be \$2,000,000, as that is the reported value of the aircraft by E.D. Santos. Affiant knows from training and experience that Mexico imposes a 16% sales tax on each transaction. Affiant was not provided any documents and was not able to prove that Mexico sales taxes were paid. This indicates that taxes evaded to the country of Mexico is approximately \$320,000.00 for Chronos Airways LLC SA de CV transaction. CDR Price calculates total of Tax Evasion, both United States and Mexico to be approximately \$507,512.50.

16. Affiant learned from SA Flowers that according to the U.S. Government export data, no Electronic Export Information (EEI) was filed for this aircraft by any party. Affiant learned from SA Flowers that based on this failure to file, SA Flowers issued a detention letter to E D Santos & Associates LLC for one, Raytheon Hawker, fixed wing aircraft bearing serial number 258155 and registration N323AA in Houston, Texas.

17. A review of Air and Marine Operations Center (AMOC) documents indicates the aircraft has been in the United States for only 12 full days in the time frame from September 4, 2019 to September 4, 2020. FAA records checks did not reveal any deregistration requests or documentation for the export of the aircraft to Mexico.

18. According to a DOC Office of General Council email dated December 18, 2019, a declaration from Department of Commerce Bureau of Industry and Security Office of Chief Counsel regarding aircraft involved in these cases declared that if an aircraft has operated overseas for the majority of over 1 year, and no export declaration filings were made, the aircraft is subject to detention and seizure.

19. Affiant reviewed an email from E D SANTOS to SA Flowers sent on 9/9/2020, whereas, SANTOS clearly states that this aircraft is operated by Mexican LESSEE, Chronos Airways SA DE CV. CDR Price found that Emilio D. Santos asserts in his own email that "Owner: E D Santos & Associates LLC Trustee" is the "Owner", confirming that Santos exported the aircraft in violation of State and United States Law. Affiant finds this to be consistent with other statements and to be credible and reliable.

20. Affiant learned from SA Flowers that Flowers had queried available databases for export filings related to the current export of the 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker with no results. Affiant knows from training and experience that current export regulations, while they may not always require a formal filing, do generally require an Electronic Export Information declaration (EEI) for items valued over \$2,500.00 USD to be exported or sent from the United States and/or a licensing determination for any items that may be deemed sensitive exports. These sensitive exports include items that are single and dual use items with military applications and are commonly found in aviation components. Affiant reviewed information obtained from Automated Export System (AES) which showed no export documentation for the 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker. Affiant reviewed FAA records and found no filing for the 1989 N323AA BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker Jet which Affiant knows from training and experience is required for export purpose.

21. Affiant executed a seizure warrant on aircraft on 10/26/20 at the directive of Harris County 184th District judge Abigail Anastacio.

22. Based upon the facts outlined above, Affiant believes there is probable cause to believe that 1989 BRITISH AEROSPACE BAE 125 SERIES 800A SN 258155 Hawker and assigned and displaying tail number N323AA and the listed accompanying logs and documents are contraband as that term is defined under Chapter 59 of the Texas Code

of Criminal Procedure in that they were used in, intended to be used in or were acquired with the proceeds from the following enumerated offenses:

Chapter 32.46 of the Texas Penal Code (Securing the Execution of a Document by Deception)

Chapter 34.02 of the Texas Penal Code (Money Laundering)

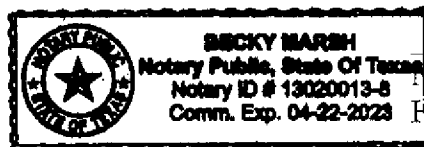
Chapter 71.02 of the Texas Penal Code (Engaging in Organized Criminal Activity)

Section 151.7032 of the Texas Tax Code (Failure to Pay Taxes)

BDR

Peace Officer's Signature

SWORN TO AND SUBSCRIBED before me on this the 20 day of November 2020.



Becky Marsh
Notary Public in and for
Harris County, Texas

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I, Marilyn Burgess, District Clerk of Harris County, Texas certify that this is a true and correct copy of the original record filed and or recorded in my office, electronically or hard copy, as it appears on this date.

Witness my official hand and seal of office this December 18, 2020

Certified Document Number: 93239450 Total Pages: 10

Marilyn Burgess, DISTRICT CLERK
HARRIS COUNTY, TEXAS

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